

~~SECRET~~

OCI NO. 0920/55

COPY NO.

17

CENTRAL INTELLIGENCE AGENCY
OFFICE OF CURRENT INTELLIGENCE
28 February 1955

CD/ED

MEMORANDUM FOR: Deputy Director (Intelligence)

SUBJECT: Offshore Island Situation

Nanchishan

Peiping radio has announced that Chinese Communist forces "liberated"--that is, occupied--the Nanchishan Islands on 26 February. Peiping concluded its announcement by asserting that the "liberation" of this group has created "more favorable conditions for the liberation of Taiwan (Formosa) and the islands along the Fukien coast."

Matsus

There is evidence of a gathering Communist threat to the Matsus. The Nationalists report that the Communists occupied several coastal islands from 50 to 75 miles north of the Matsus on 14 February, the approximate date on which Communist forces took up positions on Taishan Island, midway between Nanchishan and the Matsus. Occupation of these islands constitutes no imminent threat to the Matsus, but they can be used for early warning and antiaircraft artillery positions. More important, they could serve as ideal sites from which to direct joint Communist air and naval operations against the Matsus.

The recently occupied islands might also be used for staging an assault on lightly defended Tungyin (Yinshan) Island, about 30 miles northeast of the Matsus. Nationalist strength on Tungyin has reportedly been increased recently, but there are only about 600-700 regulars there.

MAAG officials in Taipei meanwhile report continued indications that the Communists are busy constructing field works and fortifications on the Peiling Peninsula, north of the Matsus, where artillery positions have been readied.

PACOM Review Completed

~~CONFIDENTIAL~~

Document No.	27
No Change In Class.	<input type="checkbox"/>
<input type="checkbox"/> Declassified	
Class. Changed To:	TS S (C)
Auth:	HR 70-2
Date:	17 July 58
By:	

25X1

General Chase describes the Matsus as "not too strongly held at present" but reports that the entire Nationalist 84th Infantry Division will be sent from Formosa to the Matsus. First elements of the division were to arrive by LST on 28 February. Chase reports that the Ministry of National Defense plans to use the 84th division headquarters as Matsu Defense Command headquarters in place of the present command organization which is "not too strong." Plans for defense of the Matsus will probably include gradual evacuation of the estimated 11,000 civilians on the islands.

Quemoys

Negative.

HUNTINGTON D. SHELDON
Assistant Director,
Current Intelligence

CONFIDENTIAL